

Analytical & Clinical Chemistry Market - Indonesia

1. Size of market in units and USD

- a. Instruments: Combined \$25 milion
- b. Reagents: \$20 million
- c. Point of Care Testing: n/a
- d. Self testing: n/a

2. Population

- a. Total population: 220 million
- b. % having access to quality healthcare: 5-10 %

3. Reimbursement by %

- a. Government: 0%
- b. Insurance: 15%
- c. Private: 85%

4. Number of testing facilities

- a. Hospital
 - i. Public/Government: 625
 - ii. Private: 621
- b. Independent Labs: 854
- c. Physician Offices: n/a
- d. Other: n/a
- e. Background on Research Institutes & Partners: n/a

5. Disease profiles of population

- a. Trends unique to demographics
Circulatory diseases, infectious diseases, and respiratory problems are the top three primary causes of death in Indonesia.
- b. Best growth prospects:
 - i. Rapid tests for diabetes, HIV, TB, Other infectious diseases
 - ii. Clinical chemistry, hematology, and immunology instruments

6. Import statistics and trends of clinical laboratory products

- a. From U.S.: \$6.8 million
- b. From ROW: \$18.2 million

7. Barriers to market entry

- a. Regulatory: There are no restrictions on the import of clinical laboratory products. The Ministry of Health controls the registration of clinical laboratory equipment in Indonesia.
- b. Duties: Clinical laboratory equipment is subject to 5 percent import tax and valued added tax of 10 percent.
- c. Domestic: There are no domestic manufacturers of clinical lab equipment.
- d. Procurement practice:
 - i. Through public tender – this method is used by the Ministry of Health, regional and government hospitals
 - ii. Private hospitals generally make their purchases directly from agents/distributors.
- e. Distribution Systems:

U.S. companies wishing to market their products in Indonesia must appoint an agent or a distributor. Local agents or distributors play an important role in initiating orders, developing the market, and providing after-sales services. Most agents/distributors operate branches throughout the nation.

8. Contact lists:

- a. Domestic IVD manufactures: n/a
- b. Trade Professional associations:
 Gakeslab Indonesia
 (Association of the Indonesian Medical and Laboratory Companies)
 Jl. Raya Pasar Minggu No. 18 Km. 17
 Jakarta, Indonesia
 Tel. (62-21) 798-7569
 Fax. (62-21) 798-3283
 Mr. F. Tirto Kusnadi MBA, President Director
- c. Information sources:
 Official contact for import authorization and registration of medical devices:
 Directorate General of Pharmacy and Medical Devices
 Ministry of Health Republic Indonesia
 Jl. HR Rasuna Said Blok X-5 Kav. 4-9, Lt. 7/720
 Jakarta 12950, Indonesia
 Tel. (62-21) 520-1590, Ext. 7201
 Fax. (62-21) 922-7224
 E-mail: bahdarhamid@yahoo.com
 Drs. T. Bahdar J. Hamid, Mphar
 Head of Sub-Directorate for Non-Electromedic Medical Devices

U.S. Commercial Service
 American Embassy
 Wisma Metropolitan II, 3rd Floor
 Jl. Jendral Sudirman Kav. 29-31

Jakarta 12920, Indonesia
Tel. (62-21) 5262850
Fax. (62-21) 5262855
Contact: Sharon Chandra, Commercial Specialist
E-mail: Sharon.Chandra@mail.doc.gov

9. Key Trade Shows in Indonesia:

Hospital Expo 2005, August 20-23, 2005
Organizer:
PT Okta Sejahtera Insani
Ruko Kebun Jeruk Baru No. A-13, 14
Jl. Arjuna Selatan
Jakarta 11530, Indonesia
Tel. (62-21) 5267-7981
Fax. (62-21) 5367-7983
E-mail: osi@pdpersi.co.id
Website: <http://www.hospital-expo.com>

10. General Comments on Healthcare System

There are a total of 1,246 hospitals in Indonesia's 33 provinces serving 220 million people. About 10-15 percent of the total population can afford quality health care, but in most cases do not obtain it from local hospitals. Indonesians spent around US\$600 million annually for quality healthcare overseas, mostly in Singapore, Malaysia, Thailand, and a few other countries. The main driver for Indonesians seeking health care abroad is the higher quality of medical services provided and a general distrust of Indonesian medical service providers. The Ministry of Health has urged local hospitals to form alliances with foreign hospitals and universities to improve the quality of health care delivery and management.